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If you have sold or transferred all your shares in China Carbon Neutral Development Group Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中國碳中和發展集團有限公司

China Carbon Neutral Development Group Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1372)

PROPOSALS FOR GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company (the "AGM") to be held at Room 3302, 33/F, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong on Wednesday, 30 June 2021 at 8:30 a.m. is set out on pages 13 to 17 of this circular. A form of proxy for use at the AGM (or any adjournment thereof) is enclosed herewith.

Precautionary and special measures for the AGM: In light of the importance of preventing and controlling the COVID-19, certain measures will be implemented at the AGM, including, without limitation, (i) all attendees being required to (a) undergo body temperature check; (b) complete a health declaration, which may be used for contact tracing, if required; and (c) wear surgical masks prior to admission to the meeting venue; (ii) attendees who are subject to health quarantine prescribed by the HKSAR Government not being admitted to the meeting venue; (iii) all attendees being required to wear surgical masks throughout the AGM; and (iv) no food, beverage, refreshment, or gift being provided for the AGM.

Whether or not you are able to attend and vote at the AGM (or any adjournment thereof), you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM (or any adjournment thereof) should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

31 May 2021

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DEFINITIONS

In this circular, the following expressions have the following meanings, unless the context otherwise requires:

“AGM”	the annual general meeting of the Company convened to be held on Wednesday, 30 June 2021 or any adjournment thereof, notice of the AGM (or any adjournment thereof) is set out on pages 13 to 17 of this circular
“Article(s)”	the articles of association of the Company currently in force
“Board”	the board of Directors of the Company (including independent non-executive Directors)
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	China Carbon Neutral Development Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1372)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	28 May 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)” or “Member(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



中國碳中和發展集團有限公司
China Carbon Neutral Development Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

Directors:

Executive Directors:

Dr. Gao Gunter

Mr. Chen Xinwei

Dr. Cui Dingjun

Mr. Di Ling

Mr. Chen Lei

Mr. Artem Matyushok

Independent non-executive Directors:

Mr. Ip Mei Shun

Mr. Leung Tsz Wing

Mr. Yu Wai Chun

Registered Office:

Cricket Square, Hutchins Drive

PO Box 2681 Grand Cayman

KY1-1111

Cayman Islands

Head Office and Principal Place of

Business in Hong Kong:

Room 3302, 33/F

Global Trade Square

No. 21 Wong Chuk Hang Road

Hong Kong

31 May 2021

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES
AND RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the AGM to be held at Room 3302, 33/F, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong on Wednesday, 30 June 2021 at 8:30 a.m. including (i) granting of the New Issue Mandate to the Directors; (ii) granting of the New Repurchase Mandate to the Directors; (iii) extension of the New Issue Mandate; and (iv) re-election of Directors; and to give you notice of the AGM.

LETTER FROM THE BOARD

NEW ISSUE MANDATE AND NEW REPURCHASE MANDATE

At the annual general meeting of the Company held on Wednesday, 30 June 2021, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Up to the Latest Practicable Date, such mandates have not been used and, if not used by the date of the AGM, will lapse at the conclusion of the AGM. In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (i) to allot, issue or deal with Shares of an aggregate nominal amount not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution (i.e. an aggregate nominal amount of Shares on the basis that the existing issued share capital of the Company remains unchanged as at the date of the AGM) (the “**New Issue Mandate**”);
- (ii) to purchase Shares, on the Stock Exchange or on any other stock exchange recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange, of an aggregate nominal amount not exceeding 10% of the total nominal amount of the issued share capital of the Company as at the date of passing of such resolution on the basis that the existing issued share capital of the Company remains unchanged as at the date of the AGM) (the “**New Repurchase Mandate**”); and
- (iii) to extend the New Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased by the Company pursuant to and in accordance with the New Repurchase Mandate.

The New Issue Mandate and the New Repurchase Mandate, if granted, will remain effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles to be held; or (iii) the revocation or variation by an ordinary resolution of the Shareholders in general meeting.

In accordance with the requirements of the Listing Rules, the Company shall send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the New Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the New Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with Article 83(3) of the Articles, a director appointed as an additional director should hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. On 2 March 2021, Dr. Gao Gunter and Mr. Chen Xinwei were appointed as executive Directors. On 18 March 2021, Dr. Cui Dingjun and Mr. Di Ling were appointed as executive Directors. On 13 May 2021, Mr. Chen Lei was appointed as an executive Director. On 16 October 2020, Mr. Yu Wai Chun was appointed as an independent non-executive Director. In accordance with the Articles and their respective letters of appointment, Dr. Gao Gunter, Mr. Chen Xinwei, Dr. Cui Dingjun, Mr. Di Ling, Mr. Chen Lei and Mr. Yu Wai Chun shall hold office until the AGM and shall retire and be eligible for re-election at the AGM.

All of the aforesaid Directors, being eligible, will offer themselves for re-election at the AGM. The nomination committee of the Company (the “**Nomination Committee**”) has reviewed the re-election of the above Directors and recommended to the Board that the re-election be proposed for shareholders’ approval at the AGM.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders’ approval at that relevant general meeting. The particulars of Dr. Gao Gunter, Mr. Chen Xinwei, Dr. Cui Dingjun, Mr. Di Ling and Mr. Yu Wai Chun are set out in Appendix II to this circular.

CLOSURE OF REGISTER OF MEMBERS

The AGM is scheduled to be held on Wednesday, 30 June 2021. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 25 June 2021 to Wednesday, 30 June 2021, both days inclusive, during which period no transfer of Shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares of the Company should ensure that all the share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 24 June 2021.

ANNUAL GENERAL MEETING

The notice of the AGM, which contains, among others, the ordinary resolutions to approve the New Issue Mandate, the New Repurchase Mandate and the extension of the New Issue Mandate and the re-election of Directors is set out on pages 13 to 17 in this circular.

LETTER FROM THE BOARD

A form of proxy for use at the AGM (or any adjournment thereof) is enclosed with this circular. Whether or not you are able to attend the AGM (or any adjournment thereof), you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event, no later than 48 hours before the time fixed for holding the AGM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM (or any adjournment thereof) should you so desire.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting of the Company must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RESPONSIBILITY OF THE DIRECTORS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board believes that the resolutions proposed in the notice of the AGM are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the AGM (or any adjournment thereof).

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text in case of discrepancy.

Yours faithfully,
For and on behalf of the Board
China Carbon Neutral Development Group Limited
Gao Gunter
Chairman

This explanatory statement contains the information required under Rule 10.06(1)(b) of the Listing Rules. Its purpose is to provide the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the AGM in relation to the New Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors have no present intention for any repurchase of Shares but are seeking the granting of the New Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The Directors believe that it is in the best interests of the Company, the Group and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company, the Group and the Shareholders.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 260,000,000 Shares.

Subject to the passing of the ordinary resolution granting the New Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the AGM, the Directors would be authorised under the New Repurchase Mandate to repurchase, during the period in which the New Repurchase Mandate remains in force, representing 10% of the aggregate nominal amount of Shares in issue as at the date of the AGM.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands.

Pursuant to the New Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or out of share premium account or, if authorised by the Articles and subject to the Companies Law, out of capital of the Company and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles and subject to the Companies Law, out of capital of the Company.

The Directors do not propose to exercise the New Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company. There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2020) in the event that the New Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period.

4. INTENTION OF DIRECTORS AND CONNECTED PERSONS TO SELL SHARES

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), have any present intention, if the New Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries.

The Company has not been notified by any connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell Shares to the Company, or that they have undertaken not to do so, in the event that the granting of the New Repurchase Mandate is approved by the Shareholders.

5. CLOSED SHARE PRICES

The highest and lowest closed prices at which the Shares have been traded on the Stock Exchange during each of the following months were as follows:

Month	CLOSED PRICE PER SHARE	
	Highest HK\$	Lowest HK\$
2020		
April	1.85	1.48
May	1.78	1.16
June	1.24	0.98
July	1.16	0.99
August	2.03	0.99
September	2.62	1.33
October	2.28	1.79
November	2.14	1.51
December	1.45	1.04
2021		
January	1.84	1.04
February	3.38	1.51
March	7.93	3.65
April	7.38	5.30
May (up to the Latest Practicable Date)	6.06	4.91

6. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

7. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the New Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

8. EFFECT OF TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

Assuming that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date to the date of the AGM, on exercise in full of the New Repurchase Mandate, the number of issued Shares will decrease from 260,000,000 to 234,000,000.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, the controlling shareholder of the Company (as defined in the Listing Rules) were interested in 147,700,000 Shares representing 56.81% of the total issued share capital of the Company. In the event that the Directors exercised in full the power to repurchase Shares, which is proposed to be granted pursuant to the New Repurchase Mandate, the shareholding of the controlling shareholder of the Company (namely Youth Force Asia Ltd.) would be increased to approximately 63.12% of the total issued share capital of the Company. Save as aforesaid, the Directors are not aware of any other consequences which would arise under the Takeovers Code as a consequence of any repurchases made pursuant to the New Repurchase Mandate.

As the exercise of the New Repurchase Mandate may result in the Company's public float falling below the prescribed minimum percentage level as required under the Listing Rules, the Directors have no present intention to exercise the power to repurchase Shares.

APPENDIX II PROFILE OF DIRECTORS PROPOSED FOR RE-ELECTION

Set out below are details of the Director who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM:

Dr. Gao Gunter, Executive Director

Dr. Gao Gunter, aged 65, was appointed as an executive Director and Chairman of the Company on 2 March 2021 and 18 March 2021 respectively. He is currently the chairman of the board of Sunbase International (Holdings) Limited, New Horizons Space-Based MIOT (Group) Limited and Asia Pacific Airlines (Holdings) Ltd., each being an unlisted public company in Hong Kong or overseas. He is also a member of the eighth, ninth, tenth, eleventh, twelfth and thirteenth CPPCC National Committee of Hong Kong Special Administrative Region (“HKSAR”) of the People’s Republic of China, a member of the ninth and tenth of the Committee of Foreign Affairs of the CPPCC National Committee, the eleventh and twelfth vice-chairman of the Committee of Education, Science, Culture, Health and Sports of the CPPCC National Committee and the thirteenth vice-chairman of the Committee for Learning and Cultural and Historical Data of the CPPCC National Committee.

He is the Justice of the Peace of HKSAR and awarded Silver Bauhinia Star of Hong Kong. He is also a member of the Election Committee of the Chief Executive of HKSAR, a member of the Election Committee of the Legislative Council of HKSAR, a deputy of the HKSAR to the National People’s Congress Election Committee, the chairman of the Cultural Association of Hong Kong, the chairman of the Association of Chinese Culture of Hong Kong, the chairman of the Hong Kong federation of China Federation of Literary and Art Circles, the chairman of the Hong Kong Association for Chinese Ecological Development and Promotion, the chairman of the Hong Kong and Mainland China Investment Association, the chairman of the General Association for the Promotion of Cross-strait Peaceful Development of Hong Kong, the founding chairman of the Hong Kong Association for Promotion of Peaceful Reunification of China, the chief officer of the Chinese and Foreign Enterprises Cooperation Committee and the economic consultant of the People’s Government of Hebei, Tianjin, Shaanxi, Yunnan and Hubei Provinces. Dr. Gao has been appointed as a non-executive director of Chong Kin Group Holdings Limited, a company whose shares are listed on the Stock Exchange (stock code: 1609), since 10 February 2021.

Mr. Chen Xinwei, Executive Director

Mr. Chen Xinwei, aged 45, was appointed as an executive Director of the Company on 2 March 2021. He holds a bachelor’s degree in economics and a master’s degree in finance. He worked for renowned international and Chinese investment banks for many years. With his extensive work experience in domestic and foreign investment banks accumulated over years, he is familiar with the operation and development of financial institutions in the world. He served as the chairman of Sinocon Holdings International Limited, engaging in cross-border financial services and cross-border financial investment. He worked for many well-known financial institutions such as Nomura, UBS and Merrill Lynch. Mr. Chen has been appointed as an independent non-executive director of Shenzhen Infogem Technologies Co.,Ltd., a company whose shares are listed on Shenzhen Stock Exchange (stock code: 300085).

Dr. Cui Dingjun, *Executive Director*

Dr. Cui Dingjun, aged 55, was appointed as Executive Director of the Company on 18 March 2021. He is an expert in liquid mechanics field. He obtained the doctoral degree in engineering from the Beihang University majoring in jet aerospace power, and subsequently obtained his second doctoral degree in the University of Strathclyde majoring in fluid dynamics. Dr. Cui is a member of technical committee of the American Society for Testing and Materials (ASTM), a Professional Engineer of Ontario (PEO) and a member of the Ontario Society of Professional Engineers (OSPE). Apart from the academic sector, Dr. Cui also possesses extensive experience in the practical application of cutting-edge scientific technology. He served as (i) the supervisor of laboratory of Fantom Technologies Ltd between 1999 and 2001, responsible for the design of new products and respective quality standards; (ii) the principal designer of Armstrong Pump Ltd between 2001 and 2006, responsible for the development, design and production of high-tech products; (iii) the managing director of Watson Process Systems since 2006, responsible for the design and supply of gas processing and environmental protection equipment; and (iv) the executive director of Macro Eng. & Tech. Inc. since 2010, responsible for the design and production of high-tech plastic products. He has participated in various large projects of energy conservation and emission reduction as well as international carbon trading.

Mr. Di Ling, *Executive Director*

Mr. Di Ling, aged 58, was appointed as Executive Director of the Company on 18 March 2021. He is experienced in risk investment and corporate finance sectors. He obtained a bachelor's degree from the Department of Thermal Engineering of Tsinghua University. He served as (i) the standing vice president of SBCVC* (軟銀中國資本) between 2011 and 2019; and (ii) the president of SB Green Investment Fund Limited* (軟銀綠色投資基金有限公司) since 2019. He has extensive experience in risk management, project management, corporate restructuring and debt restructuring.

Mr. Chen Lei, *Executive Director*

Mr. Chen Lei, aged 57, was appointed as Executive Director of the Company on 13 May 2021. He is a well-known expert in the field of ecological construction in China. Mr. Chen graduated from Beijing Normal University with a degree in Chinese language in 1986. After the 1990s, Mr. Chen moved into the television industry. And after the year of 2000, he left media industry and entered ecological field, serving as the Director of the propaganda department of Working Committee of Eco-China under the State Forestry Administration (國家林業局生態中國工作委員會), the Director of the propaganda department, an executive vice president and deputy secretary-general of Strategy and Development Research Institution of Chinese Eco Development Association (中國林業生態發展促進會). Currently, he is the secretary-general of Chinese Eco Development Association.

Mr. Yu Wai Chun, *Independent non-executive Director*

Mr. Yu Wai Chun, aged 47, was appointed as Independent non-executive Director on 16 October 2020, graduated from The Hong Kong Polytechnic University with a Bachelor of Arts in Accountancy and with an MBA degree from City, University of London, he is a fellow member of both the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Yu possesses more than 20 years executive experiences in accounting, corporate finance, risk management and internal controls. He has been appointed as the chief financial officer of Cornerstone Financial Holdings Limited (stock code: 8112) (“Cornerstone”) since 2015. Prior to that, Mr. Yu held key corporate positions in various companies, including chief financial officer of Culture Landmark Investment Limited (now known as China Tangshang Holdings Limited, stock code: 674) and Assistant General Manager of China Resources Enterprise Limited (now known as China Resources Beer (Holdings) Company Limited, stock code: 291), consultant at KPMG Consulting (Asia) Limited (“KPMG”) and assistant manager at KPMG.

NOTICE OF ANNUAL GENERAL MEETING



中國碳中和發展集團有限公司

China Carbon Neutral Development Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**AGM**”) of China Carbon Neutral Development Group Limited (the “**Company**”) will be held at Room 3302, 33/F, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong on Wednesday, 30 June 2021 at 8:30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company and the independent auditor of the Company (the “**Auditor**”) for the year ended 31 December 2020.
2. To re-elect Dr. Gao Gunter as an Executive Director of the Company.
3. To re-elect Mr. Chen Xinwei as an Executive Director of the Company.
4. To re-elect Dr. Cui Dingjun as an Executive Director of the Company.
5. To re-elect Mr. Di Ling as an Executive Director of the Company.
6. To re-elect Mr. Chen Lei as an Executive Director of the Company.
7. To re-elect Mr. Yu Wai Chun as an Independent non-executive Director of the Company.
8. To authorise the board of directors of the Company to fix the directors’ remuneration.
9. To re-appoint Zenith CPA Limited as the Auditor and authorise the board of directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

10. To consider and, if thought fit, pass with or without modification the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorised and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of the outstanding conversion rights attaching to any convertible bonds or securities issued by the Company, which are convertible into shares of the Company; or (iii) the exercise of option under a share option scheme of the Company or (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed twenty per cent. (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meetings.

"Rights Issue" means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company of any class thereof on the register on a fixed record date in proportion to their then holdings of such shares of the Company thereof (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange)."

- 11. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

"THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited or on any other stock exchange recognised by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which might be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution and the said approval be limited accordingly; and
- (c) for the purpose of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and

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(iii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meetings."

12. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

"**THAT**, subject to the passing of resolutions no. 10 and 11 set out in this notice, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with authorised and unissued shares of the Company pursuant to resolution no. 10 set out in this notice be and is hereby extended by the addition thereto an amount representing the aggregate nominal amount of the share capital of the Company which has been repurchased by the Company since the granting of such general mandate pursuant to resolution no. 11 set out in this notice, provided that such amount of shares of the Company shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution."

Yours faithfully,

For and on behalf of the Board

China Carbon Neutral Development Group Limited

Gao Gunter

Chairman

Hong Kong, 31 May 2021

Notes:

1. A form of proxy for use at the AGM (or any adjournment thereof) is enclosed herewith. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member.
2. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the meeting, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for holding the AGM (or any adjournment thereof).
4. Completion and return of the proxy form in respect of the proposed ordinary resolutions for the AGM will not preclude a member of the Company from attending and voting in person at the AGM (or any adjournment thereof) should he/she so wishes and in such event, the proxy form for the AGM (or any adjournment thereof) will be deemed to have been revoked.

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5. All resolutions at the AGM will be taken by poll (except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
6. The register of members of the Company will be closed from Friday, 25 June 2021 to Wednesday, 30 June 2021 (both days inclusive) for the purpose of determining the right to attend and vote at the AGM, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the forthcoming AGM, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 24 June 2021.

As at the date of this notice, the executive directors are Dr. Gao Gunter, Mr. Chen Xinwei, Dr. Cui Dingjun, Mr Di Ling, Mr. Chen Lei and Mr. Artem Matyushok; and the independent non-executive Directors are Mr. Ip Mei Shun Mr. Leung Tsz Wing and Mr. Yu Wai Chun.